

**THE AKILI TRUST
ANNUAL REPORT FOR 2012-13**

Charity Name and Number

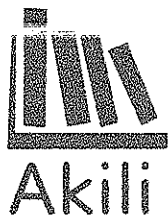
The Akili Trust: Registered charity number: 1114275

Akili Community Libraries (Kenyan NGO) registered number:
OP.218/051/2008/017/5057

Website: www.akilitrust.org

Correspondence Address

119 Victoria Road, London N22 7XG



Trustees

Cleopatra Mukula Ajode (resigned 2012 as now resident in France, but maintains an informal interest)

Ruth Beedle

Pam Dix (Chair)

Lucy Evans

Laura Gavshon

Dan Gavshon Brady (Treasurer) (joined June 2013)

Mark Orchard

Jenny Pitkin

Anne Sofer

HISTORY, OBJECTIVES AND ACTIVITIES OF THE TRUST

The Akili Trust was established in January 2006 with a remit to establish and support community libraries in Kenya and East Africa. Charitable status was granted in May 2006 and NGO status in Kenya, as Akili Community Libraries, in 2008.

Coastal Province, where the Trust's libraries are based, is one of the least developed areas in the region. Electrification is slowly being made available but is not affordable in the majority of homes and transport is limited. English is the language of instruction in all Kenyan schools, but there are few books available for people to read, and many adults cannot afford to buy a newspaper. Only 23% of Kenyans attend secondary school and the take up of further education in the region is one of the lowest in Kenya. Yet, there is a real thirst for education and information and libraries are well respected and are seen as key places of free access to learning.

The Akili Trust aims to work with local communities to improve literacy and expand access to information and education. In practical terms, this means:

- Supporting the existing libraries and establishing new libraries as appropriate and when funds are available;
- Ensuring that the libraries have suitable collections of books in English and Kiswahili;
- Ensuring that the libraries have adequate IT provision and run suitable training programmes for the school and the community;
- Ensuring that the libraries are adequately staffed with locally appointed personnel;
- Funding librarian salaries and running costs, including daily newspapers in English and Kiswahili;
- Providing support and training for librarians;

- Establishing local management committees to run the libraries and liaising with them and with local schools and other relevant authorities;
- Maintaining a bursary programme for secondary education.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Akili Trust was created by a Declaration of Trust dated 23 January 2006. The Trust Deed provides for a minimum of three trustees, who are appointed for two or three year terms. When there is a requirement for new trustees, these are identified and appointed by the existing trustees. The Chair of Trustees and Treasurer are responsible for the induction of any new trustee and for circulating information and advice from the Charities Commission and other related organisations.

The Trust Deed gives trustees the power to apply the funds in such a manner as they think fit to further its stated aims. As the Trust aims to spend as much as possible of its funds directly in East Africa, costs in the UK are kept to a minimum. The Trust does not make grants to individuals or organisations that apply for funding speculatively.

Trustees meet at least four times a year to plan developments and monitor progress and finances. The committee reviews quarterly reports and correspondence from the libraries, decides on financial priorities and plans fundraising. Minutes of these meetings are held at the Trust's address. Sub-committees are formed from time to time as required.

A new treasurer and trustee, Dan Gavshon Brady, was appointed in June 2013 after a period as a volunteer helping with the financial administration. Dan brings a broad range of relevant experience to the committee. Dan is taking responsibility for monitoring the UK CAF bank and another trustee, Jenny Pitkin, monitors the KCB spending in Kenya.

The Akili Trust provided funds for the registration of a sister organisation in Kenya, known as Akili Community Libraries (ACL). ACL provides support and guidance locally and to the Trust in the UK and is effectively the business operation in Kenya. Its accounts are audited and annual reports are lodged with the NGO Board. The ACL committee includes the two chairs of the Library Management Committees, Emmanuel Yongo and Francis Matayo, together with Lucy Evans as the representative of the Akili Trust and Benson Mutua (the in-country manager of a US funded school project, PEI – Project Education)

In Kenya, each Akili Trust library has a Management Committee, appointed from the local community. The Management Committee also includes representatives of the primary school where the library is based, normally the Headteacher and the Chair of the Primary School Management Committee. This Committee provides support, encouragement and advice to the Librarian and Assistant Librarian, as well as being a further point of contact and

information for the Akili trustees. They are responsible for the selection of staff, monitoring of staff performance and for the management of the selection process for the bursary students. During the trustees visit in Autumn 2012, it was agreed that these committees should also take over responsibility for managing the local budgets for the libraries. Bank accounts have been set up for each school, with three local signatories, and the librarians are being trained in financial reporting. Their delegated budget will cover all incidental local spending, but the larger sums relating to salary costs, bursaries and book spending will continue to be managed by the trustees through the main KCB account.

ACHIEVEMENTS AND PERFORMANCE OF THE TRUST

During the year ending September 2013, the Akili Trust has continued to support the libraries in Dabaso and Kakuyuni and has helped resource the neighbouring secondary school library, at Canon Mweri School, where a new library has been opened. We provide books both from the UK via an annual shipment of carefully selected donated books, particularly picture books. We are very grateful to the individuals and publishers who support us with this.

In August 2013, for the first time, two of the librarians visited the bookshop in Nairobi to buy books published in Kenya and books in Swahili. This was a first visit for them, both to Nairobi and to a bookshop, and they found it extremely helpful. They were well supported by the staff of the bookshop and a reasonable discount was offered. Unfortunately the Kenyan government introduced VAT on books from September 2013, which has financial implications for our budget.

Dabaso Library

Dabaso Library is now firmly established both in the school and as a part of the local community. It is well used by students from the school during the school day and by students from the nearby local secondary schools. It has a good number of regular adult borrowers, who use the library for book borrowing, for reading the newspapers and for learning to use the computers. During the recent troubles in Kenya the librarians have had to increase the number of newspapers they buy because this is the main source of news in the community.

The headteacher at the school has worked hard to improve the learning environment of the school and has embarked on a comprehensive programme of decoration and construction with the help of external funders.

In 2012, the main librarian, Josephine Nzaro, resigned after her pregnancy and maternity leave and has now moved to live in Nairobi. During the trustee visit, it was agreed that the temporary acting-up arrangement had been extremely successful. As a result Fred Kittu was confirmed as permanent librarian and Cornelius Kahindi as permanent librarian / IT assistant with effect

from October 2012.

Kakuyuni Library

Kakuyuni Library is also now well established in the local community and the staff team is committed and hard working. Both the library itself and the outside area have been carefully developed to create a most attractive learning environment. Our earlier decision to fill the library assistant vacancy with a combined post for assistant librarian / IT trainer had initially worked well, but it became apparent during the trustee visit and immediately afterwards that the postholder was no longer working in a satisfactory manner. After several warnings, he was dismissed from his post and has been replaced by a new library assistant / IT trainer, Caroline Nzai. This was well handled by the Library Management Committee.

Staff salaries

Staff salary structures and systems were a key focus for discussion during the October trustee visit as we were anxious to regularise staff employment within the official Kenyan structures. We were able to establish the national scales for PAYE for similar staff positions and discussed the assimilation of existing staff on to these scales. An agreement was reached with staff and implemented from January 2013, with staff receiving back pay from September to December. Staff are now on official pay scales with incremental points. The new system has necessitated the appointment of a payroll provider and after some local investigation we have appointed Emmanuel Yongo on a salaried basis to do this work. Emmanuel has been involved with Akili work from the outset and runs the payroll system for the local secondary school. He has been able to set up systems which have worked smoothly. This means that staff are now fully integrated into national Kenyan pay structures and pay awards will be offered in line with national changes.

Library Bursaries

Each year, the Akili Trust funds the secondary education of a boy and a girl from each 'host' primary school, and also administers bursaries funded by individual sponsors and grants. For the 2013 academic year there were a total of 20 students and this costs approximately £5720. These students are selected by an independent panel under the auspices of the library committees, and the choice is based on performance in the national primary school leaving exams and on the family's financial circumstances. The intention is that these bursaries are for able students who would not otherwise be able to afford secondary education. The Trust now pays 100% of the fees, but the students / families are responsible for funding the costs of equipment, uniform and holiday tuition. The progress of the students is closely monitored and supported by the library staff and reported on regularly to the Akili trustees. The librarians carry out this responsibility with considerable care and

have applied sanctions or additional support to students when necessary.

The students are required to work in the library at certain points during the academic year, carrying out general library duties and helping younger students with their schoolwork. The students are selected in January each year for the beginning of the Kenyan school year.

The Trustees have provided a comprehensive document to the libraries on the management of the bursary scheme, with copies of all the necessary documentation for them to use with the schools and the students. A new funding document has also been prepared aimed at potential donors in the UK.

Other Activities

Regular newsletters and website

A comprehensive mailing list is maintained through the website and regular newsletters are produced to keep funders and supporters informed about developments in Kenya. One issue this year focused specifically on the bursary students. The website is used for current information and updates.

Trustee visits

The highlight of this year was the trustee visit in October. Two trustees, Pam and Laura, were accompanied by four other Akili supporters. Steve Grocott, a musician and Cheryl Moskowitz, a writer, worked together to provide creative learning opportunities in both schools including the creation of a school song for Dabaso. They were supported by Joan Lindeman and Martyn Coles, who also worked with both governing bodies to explain accountability and budget management issues.

Pam and Laura held meetings with all key Akili staff and supporters in each community, with bursary students and their parents and carers, and with the senior management in each school. This has informed the agenda that we have set for the subsequent reporting period.

We were also able to meet with various members of staff at KCB bank, which greatly helped with subsequent transactions as so much is now carried out via email transactions.

In Nairobi, we were able to meet with the NGO officials and the accountant which has also helped us structure the necessary formal reporting processes.

The trustee visit was followed in January 2013 with a visit by two long term supporters of Akili, Ruth and Neil Thompson. They run an organisation called KnowTrash which looks at recycling projects around the world. They were able to run workshops in Dabaso school as well as make a range of new contacts in the community and have advised us on some successful local initiatives that we can link with in the future.

NGO

During the trustee visit we were able to meet with officials from the NGO board and with the auditors, Waithe Kiare Mbaya. We were able to confirm that our operations are in full compliance with legal requirements in Kenya and also to clarify the information the auditors need for their financial reports to the Tax Office and the NGO office.

FUNDING

The Trust's funding comes from a variety of sources.

- There are a number of key regular donors with standing orders, together with other occasional, but regular, donors.
- Grants from charitable organisations are applied for when we are looking at specific projects.
- Fundraising events are run throughout each year, which also serve to maintain interest in our work amongst the Akili 'community' in the UK. This year's highlights included an opera evening and dinner, a Blues evening and a music performance event where musicians paid to play. There were also a number of sport fundraising events including participation in the Great Northern Run and Great Northern Swim.
- There are a developing number of links with schools either for fundraising or for curriculum links. Donations came from several schools including one school where the Sixth Form nominated Akili as their charity for the year.
- Individual supporters contributed donations from events they organised like carol singing ventures at Christmas time or coffee mornings.
- The charity 'Football for Fun' continue to provide us with footballs to take to distribute on our trips.

Gift Aid claims are made annually and provide a significant additional amount of income on all eligible donations.

RISKS AND CHALLENGES

It is clear that, with world economies in a state of flux and the impact that this has on exchange rates, budget monitoring is a priority to ensure that the Trust does not become over-committed. It is also clear that the continuing state of tension between Kenya and Somalia will pose a threat to travel and to future visits.

We also recognise the challenge of managing staff and keeping in touch with developments from a distance and the fact that this will become more difficult if regular visits are not possible. We need to find out how easily we can set up Skype or other communications with the libraries.

FUTURE PLANS

Our priorities for the next year include:

- Ensuring that there is an annual visit by Trustees whenever possible and exploring setting up Skype in the libraries so that regular face-to-face communication is possible if travel to the area remains restricted by the Foreign Office;
- Looking for opportunities for partnership work with other organisations in Kenya;
- Continuing to provide funding for the purchase of relevant books, especially books in Kiswahili and featuring African writers and those important for the Kenyan school curriculum;
- Refreshing the look and functionality of the Akili Trust website (www.akilitrust.org)
- Looking at the future opportunities for our bursary students and seeking advice about work experience, university and HE opportunities in Kenya;
- Considering the issues around the performance of the girls, both at the end of primary school prior to the bursary selection process and during their sponsored years as it has become clear that girls are underperforming;
- Working on our fundraising strategies and a long-term strategy for the future of the Trust.

Financial Review

The net income for the year was £24,075, an increase of £4,000 on the previous year. This represents a growth in standing orders and in funding specifically for bursaries, and greater income from events.

Income	£24,075 (*note 1)
Standing orders	£3,070
Donations	£10,520
Bursaries	£1,560
UK events	£8,658
Interest	£7
Credit	£170
Sales	£90

Note 1. Gift Aid for the year was claimed in November 2013 and does not show in this year's accounts

Expenditure	£29,318
Transfers to KCB account	£23,000 *note 2
Maintenance and upkeep	£1,497
Salaries	£479 *note 3
Transfer charges	£120
Shipping	£611
Web, media and printing	£598
UK events costs	£3,013* note 4

Note 2. We have increased the amount transfer considerably as all transactions in Kenya now go through this account, saving Western Union costs. It is part of the accounting procedure for the NGO. Accounts for this are submitted to the NGO Board in December every year.

Note 3 This was a one off emergency payment by Western Union. Salaries, PAYE and related costs are now always paid through the KCB account by standing order. The average monthly cost for salaries and deductions under the new system is approximately £510 per month and the cost of the Payroll provider is approximately £350 per year.

Note 4. This includes expenses for fundraising events, costs that are offset against the income that such activities raise.

Cash funds at year end	£6,239
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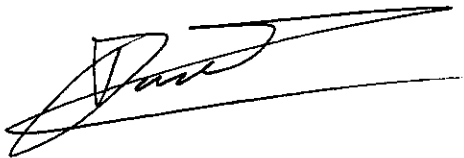
Statements of assets and liabilities at year-end 9/2013

B1 Cash funds	
CAF bank	£6,239
KCB bank	£5,000 (655,333 ks)
Total	£11,239
B2 Other monetary assets	£0
B3 Investment assets	£0
B4 Assets retained for charity own use	£0
B5 Liabilities	£0

Signed on behalf of the Trustees



Pamela Dix
Chair, Akili Trust



Daniel Gavshon Brady
Treasurer, Akili Trust

July 2014

